[Mr. T. M. Chidambaratanu Pillai.]

which Mr. Van Ross was holding in 1095, and the value of the landed property and other investments which he is now holding?

Mr. R. KRISHNA PILLAI (*Chief Secretary to Government*): The answer is in the negative.

Mr. M. N. PILLAI (*Trivandrum*): Will the Government be pleased to state what their objection is to placing the property statements of the officers before the members of this House?

Mr. R. KRISHNA PILLAI (*Chief Secretary to Government*): Those statements are confidential.

Property Statements.

73. Mr. M. R. MADHAVA VARIAR (*Chengannur* cum *Pattanamtitta*): (*a*) Will the Government be pleased to state why they receive the property statements of all officers drawing a salary of Rs. 40 and above?

(*b*) Will the Government be pleased to state the value of the property of the Excise Commissioner during 1096, 1097 and 1098 respectively?

Mr. R. KRISHNA PILLAI (*Chief Secretary to Government*):

(*a*) To enable the Government to know the nature and extent of the properties and the localities where they are situated.

(*b*) The answer is in the negative.

Mr. M. R. MADHAVA VARIAR (*Chengannur* cum *Pattanamtitta*): Will the Government be pleased to state why they want to know the nature and extent of the property owned by an officer?

Mr. R. KRISHNA PILLAI (*Chief Secretary to Government*): There are several reasons which it is not in the public interest to disclose.

South Indian Match Factory.

74. Mr. T. M. CHIDAMBARATANU PILLAI (*Kalkulam* cum *Tovala*): (*a*) (i) When was permission granted to the South Indian Match Factory to establish itself in Travancore and do business?

(ii) How many times and for what term in each case was the period under the agreement extended?

(iii) Will the Forest Department be able to supply soft wood for the price fixed in the agreement entered into with the firm, and if so, will it lead to any, and what loss?

(iv) Who were the Conservators of Forests who had reported to Government that the agreement to supply soft wood to the match factory would result in loss to Government and that the period of the agreement should not be extended?

(v) Will the Government be pleased to lay their reports on the table?

LIBRARY ARCHIVES Kerala Legislative Assembly

(*b*) Will the Government be pleased to lay on the table a copy of the agreement entered into by the Government with the South Indian Match Factory Company?

MR. S. PARAMESVARA AIYAR (*Secretary to Government*): (*a*) (i) In 1912.

(ii) Six extensions were in all given and the terms for which the period under the agreement was extended were as follow:—

		Period of extension.
First extension.	From 21-12-1915 to 21-12-1916.	One year.
Second extension.	From 21-12-1916 to 21-12-1918.	Two years.
Third extension.	From 21-12-1918 to 21-12-1920.	Do.
Fourth extension.	From 21-12-1920 to 21-12-1921.	One year.
Fifth extension.	From 21-12-1921 to 30-6-1922.	Six months.
Sixth extension.	From 31-7-1922 to 31-12-1922.	Do.

(iii) It is not possible now to supply without loss to Government soft woods at the rates mentioned in the original agreement and the principal terms of this agreement have now been modified in view to avert loss.

(iv) Mr. V. Rama Menon, late Conservator of Forests.

(v) The answer is in the negative.

(*b*) The agreement will be made available to the member for perusal.

A full statement* on the subject is laid on the table.

Kallar Committee.

75. MR. M. N. PILLAI (*Trivandrum*): (*a*) For how many days did the Kallar Committee stay at the Kallar valley?

(*b*) Did they take any fresh measurements of the rainfall in the valley to ascertain the average rainfall of the place?

(*c*) Did the Committee receive any memorials or deputations regarding the Kallar Scheme, and, if so, how many and what for?

(*d*) What is the amount of expenditure necessitated by the institution of this Committee?

MR. R. KRISHNA PILLAI (*Chief Secretary to Government*): (*a*) For four days from the 3rd to the 6th Dhanu, 1098.

(*b*) The Committee did not take measurements of rainfall. They got records of the rainfall maintained at the Pampadampara Estate which is five miles from Kallar.

(*c*) The Committee received a deputation consisting of some people of Parur who presented a memorial protesting against the diversion of the Kallar water.

(*d*) Rs. 759 - Chs. 7—C. 8. This does not include the travelling allowances drawn by the official members.

* *Vide* Appendix—page 323.

LIBRARY ARCHIVES Kerala Legislative Assembly

Appendix.

***Vide* Answer to Question No. 74.**

THE SOUTH INDIAN MATCH FACTORY.

In August 1912, the Director of the South Indian Match Factory Company approached the Government of His Highness the Maha Raja, for facilities in the matter of land, timber and fuel required for a match factory which it proposed to establish at a place in the State between Quilon and Tenmalai. With a view to encourage this pioneer industry and improve the forests sylviculturally by the removal of soft woods which hindered the regeneration of more valuable hard woods and in view of the possibilities the industry would afford for consuming the numerous species of soft woods in the local forests for which there was no demand, the Government, in consultation with the Conservator of Forests, granted the company certain concessions. The terms of the concessions given to the Company are contained in G. O. No. 10508/L. R. and F. dated the 2nd October 1912, published in the Government Gazette dated the 23rd Kanni, 1088/18th October, 1912. An agreement was also entered into with the Company on the 21st December, 1912 embodying these terms. Under the terms of this agreement, the Government undertook to deliver to the Company at its factory 23,04,000 c. ft. of soft wood suitable for manufacturing splints, match boxes and packing cases within a period of twelve years, *viz.*, 3,60,000 c. ft. during the first three years, 10,80,000 c. ft. during the next five years and 8,64,000 c. ft. during the last four years, at 3 annas 6 pies per c. ft. during the first period, 4 annas 6 pies during the second period and 5 annas during the third period. The Government also undertook to supply fuel to the extent of the Company's requirements at the rate of Bh. Rs. 3-8-0 per ton for the first period, Bh. Rs. 4 for the next and Bh. Rs. 4-8-0 for the last period. It was also stipulated that, if at any time the Company was desirous of arranging for its own supply of timber and fuel, it could do so from the Government Forests in the vicinity of its factory free of cost during the first three years from the commencement of working, while seigniorage would be charged at the rate of 3 pies per c. ft. for soft wood and 4 annas per ton for fuel during the remaining nine years. There was besides an understanding that the Company should start building and other operations within three years from the date of the agreement.

After the execution of the agreement, the Company commenced work, placed orders for the required machinery and gave a contract for the construction of the factory and other buildings. The European War broke out at this stage and the works had to be suspended owing to circumstances beyond the Company's control, and Mr. V. Desikachari, the Managing Director of the Company, requested that Government might be pleased to extend the time for completing the buildings and starting operations, etc., by one year. The difficulties pointed out having been found to be real, the extension was sanctioned. This was

LIBRARY ARCHIVES Kerala Legislative Assembly

on the 17th December, 1915. Since then, five extensions of time covering a total period of six years ending the 31st December, 1922, have been granted to the Company, for similar reasons.

After the fourth extension was granted, Mr. Raman Menon, the late Conservator of Forests, brought to the notice of Government that the supply of soft wood and fuel by Government at the rates mentioned in the agreement would in all probability result in a loss of 50 lakhs of rupees to Government. But nothing could be done to back out of the agreement as the same could not be considered unenforcible. Government, however, ordered careful enquiries about the loss that might result, and Mr. Dhanukoti Pillai, the present Conservator, reported after enquiry that, in estimating the loss at Rs. 50 lakhs, Mr. Raman Menon had committed a serious error in taking the total quantity of soft wood to be supplied at 99,36,000 c. ft. instead of 23,04,000 c. ft. and had also gone wrong in his other calculations; that having due regard to the altered conditions now existing in regard to labour and taking the quantity of fuel at 6,000 tons per annum, etc., the loss involved would come only to about Rs. 11 lakhs if the Government undertook the supply; and that the Company should therefore be prevailed upon to exercise the option reserved to it under the agreement and make its own arrangements for the extraction of timber and fuel. At the sixth meeting of the Economic Development Board held on the 14th August, 1922, the question of supply of soft woods, etc., to the factory was discussed and the Board passed a resolution recommending that every possible facility be given to the factory for starting match manufacture; and that such modifications in the terms of the concession to the Company be made as would, while obviating a heavy loss to Government, *not* prejudice the Company's interests. They suggested that the Company be permitted to extract the necessary timber on paying Government a seigniorage which might be very low, almost nominal at start, but which might be increased according to a graduated scale. Government also consulted their law officers as to whether it was possible to withdraw altogether from the undertaking. The legal opinion was to the effect that the Courts might hold that the contract subsisted: that in any view of the case equitable considerations must prevail in favour of the Company, which had already invested large sums on buildings and on the import of machinery, etc., and that the matter required an amicable settlement for avoiding loss to either party. As a result of the negotiations undertaken, the Company has now executed a supplemental agreement undertaking the extraction of soft woods and fuel from the Yerur and Shendurni forest coupes under departmental supervision for twelve years from the date the factory commences work and the payment to the Government of 25 per cent. of the existing seigniorage rates for soft woods and the fuel for the first four years, 50 per cent. thereof for the next four years and 75 per cent. thereof for the last period of four years. It will thus be seen that under the revised agreement the Government have been relieved of the obligation to supply to the Company soft woods and fuel at the Company's premises, and considerable loss which

LIBRARY ARCHIVES Kerala Legislative Assembly

the Government would have incurred under the old agreement has been averted. The Company is allowed to extract at its own expense soft wood and fuel on payment of seigniorage. Taking the quantity of fuel required at 3,000 tons a year the seigniorage leviable on it and the specified quantities of soft wood for the concession period of twelve years would have amounted to only Rs. 37,125 under the old agreement, while the Company will now be liable to pay under the revised agreement Rs. 1,71,000 for the same. Government would in addition also derive the benefit of replacing the soft wood species to be removed by the Company by more valuable hard wood species over a large tract of valuable forests.

DEMANDS FOR GRANTS—(*Contd*).

DEMAND II. TAXES ON INCOME.

MR. S. C. H. ROBINSON (*Land Revenue and Income Tax Commissioner*) : Sir, I beg to move that a sum not exceeding Rs. 17 lakh under Taxes on Income be given as grant for 1099.

Motion 40.

MR. T. KUMARA PILLAI (*Eraniel* cum *Vilavankod*) : Sir, I beg to move the following motion.

40. To reduce the allotment of Rs. 2,180 for travelling allowance by Rs. 1,000.

ഇൻകംടാക്സ് ഇൻസ്പെക്ടറന്മാർക്ക് ആട്ടം ൭൦ മുതൽ ൯൦ രൂപാ വരെയാണ ശമ്പളം കൊടുത്തിരുന്നത്. കഴിഞ്ഞ തവണ അവരെ കൌൺസിലിൽ നിന്നും കുറച്ചു. അതിൽ പിന്നീട് കൊണ്ടു വന്നിട്ടുള്ളത് അവർക്ക് ൧൫൦ രൂപാ മുതൽ ൨൫൪ രൂപാവരെയാണ്. അതും കൌൺസിലിൽ നിന്നു തന്നെ അനുവദിച്ചിട്ടുണ്ട്. അവർക്ക് ഇപ്പോൾ അഡ്വൻസായി ൨൫൦ രൂപായാണ കാണുന്നത്. അവർക്ക് വാഹനപ്പടിയായി ൧൫൦ രൂപാ അനുവദിച്ചിട്ടുണ്ട്. ഇതു കൊടുക്കേണ്ടതാണെന്നു സമ്മതിക്കാം. അതിനും പുറമെ യാത്രപ്പടിയായി ൯൦൦ രൂപാ കൂടി അനുവദിച്ചിരിക്കുന്നു. ടൌണിലേക്കാണ് മുന്നു ഇൻസ്പെക്ടറന്മാരെ നിയമിച്ചിട്ടുള്ളത്. അതു കൊണ്ടു വാഹനപ്പടിക്കു പുറമെ സഞ്ചാരപടിക്കൂടി കൊടുക്കേണ്ട ആവശ്യം ഇല്ല. ഇതിനും പുറമെ സർക്കീട്ടു പോകുന്ന അവസരങ്ങളിൽ സിൽബന്ധികളെക്കൂടി കൊണ്ടുപോകുന്നതിനു ൨൦൦ രൂപാ അനുവദിക്കുന്നത് ഒരിക്കലും ന്യായമായിരിക്കുമെന്നു തോന്നുന്നില്ല. അതുകൊണ്ട് അത് അനുവദിക്കാൻ പാടില്ല.

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